

NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used for other purposes.

The most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR: Picraux DATE TYPED: 3/12/03 HB 570/aHAFC
 SHORT TITLE: School Library Material Act SB _____
 ANALYST: Segura

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			See Narrative		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

State Department of Education (SDE)

SUMMARY

Synopsis of HAFC Amendment

The House Appropriation and Finance Committee amended House Bill 570 to strikes the appropriation and the section that would establish the School Library Material Fund.

Synopsis of Original Bill

House Bill 570 appropriates \$6,000.0 to SDE and creates the School Library Material Fund. The SDE will make distributions from this fund to school districts and state institutions to make purchases for school library materials.

Significant Issues

House Bill 570 includes language that would have the secretary of finance and administration approve allocations to the funded entities. Any unexpended or unencumbered funds would not revert.

The Instructional Material Bureau of SDE will administer this fund and the provisions of the School Library Material Act, a new section of the Public School Code and be responsible for safe handling of materials and funds, inventory and accounting and compliance by funded entities of the act.

Upon approval of the Instructional Material Bureau, funded entities may sell materials purchased through the Library Material Fund at a price not to exceed the cost of the materials to the state, and may hold responsible parents, guardians or students for the cost of replacing lost or damaged materials.

The SDE will submit to the Department of Finance and Administration an annual budget for the next fiscal year, to include anticipated library materials expenditures.

FISCAL IMPLICATIONS

House Bill 570 would appropriate \$6,000.0 from the general fund and is recurring. The SDE will allocate 90% of the funds to funded entities on or before July 1 based on an estimated membership for the next school year. On or before January 15 of each year, the SDE will make a second allocation to funded entities to balance the allocation according to actual membership based on the official 40th day student count. Funded entities may retain unused funds for expenditure in subsequent years.

ADMINISTRATIVE IMPLICATIONS

According to SDE, the enactment of the provisions of this bill by the Instructional Material Bureau staff will result in significantly increased administrative responsibilities. The current staff may not be sufficient to administer the provisions of this bill.

SUBSTANTIVE ISSUES

According to SDE, “inasmuch as passage of this bill would require the Instructional Material Bureau to administer the fund, and inasmuch as this creates a funding mechanism for library material purchase similar to that of the Instructional Material Fund, the department suggests that the bill be incorporated into the existing Instructional Material Act.

RMS/sb/njw